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Thailand

Grain and Feed

Weekly Rice Price Update

2007

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Report Highlights:

Export prices changed insignificantly as a slight weakening of the Thai baht offset a slight increase in domestic prices. Meanwhile, new enquiries are being received, but without an expectation of conclusion as current high prices and freight costs will keep buyers hesitant.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
Bangkok [TH1]
[TH]

Indicative Prices (Week Ending Aug. 6):

Thailand: Export (FOB) Prices for various grades of rice (USD/M.T.)									
	Exporter Observations							Period Avg.	
	#1	#2	#3	#4	#5	#6	#7	CUR.	PRV.
F WR 100 B	567	570	-	544	580	550	550	560	560
WR 100 B	334	340	-	333	331	335	330	334	335
PB 5%	327	348	-	329	328	335	325	332	333
WR 5%	328	335	-	328	327	325	325	328	329
WR 10%	322	330	-	325	323	321	320	324	325
WR 15%	313	325	-	322	319	315	315	318	319
WR 25%	301	305	-	316	301	301	310	306	307
WR 35%	298	-	-	-	-	297	-	298	297
A 1 SUP	268	-	-	258	263	266	260	263	262
A 1 SPEC	265	-	-	255	260	-	257	259	259
Source: Average actual prices received from exporters, Exchange rate: 33.7 baht/U.S.\$									

Market Tone

Export prices changed insignificantly as a slight weakening of the Thai baht offset a slight increase in domestic prices. Exporters are aggressively securing white rice, particularly for 100% grade and 5% grade, to fulfill outstanding shipments to Iran under the Government-to-Government deals. Meanwhile, the exchange rate weakened slightly to 33.7 baht/\$U.S., as compared to last week's average of 33.6 baht/\$U.S. Export prices remain under upward pressure, despite the slight weakening of the Thai baht, as most exporters worry the baht will strengthen over the next few months.

Also, new enquiries have been received from Iraq, Iran, and Africa. African buyers are reportedly more optimistic about current freight costs, which have been much higher than average for several months. Nevertheless, these new deals are unlikely to be concluded soon, particularly for large-volume contracts, due to ongoing exchange rate uncertainties and anticipation of increases in exportable supplies competitors, like Vietnam and India. However, trade sources report Vietnam may be limited by a lack of exportable supplies until the end of the year.

The following are the reported rice exports (as is basis):

WEEK ENDING	QUANTITY	4-WK AVG	YEAR TO DATE	YEAR AGO	YEAR TO DATE AS % OF LAST YEAR
	(MT)	(MT)	(TMT)	(TMT)	%
JUN 17	115,381	119,835	2,401	2,279	5.3
JUN 24	108,536	115,210	2,509	2,379	5.5
JUL 1	92,127	111,233	2,601	2,448	6.2
JUL 8	91,843	101,972	2,693	2,534	6.3
JUL 15	110,982	100,872	2,804	2,613	7.3
JUL 22	97,823	98,194	2,902	2,713	7.0
JUL 29	93,085	98,433	2,995	2,800	7.0
AUG 5	84,102	96,498	3,079	2,859	7.7

Note on data: Export figures since March 22, 2002, do not include fragrant rice. The authority to report fragrant rice exports was moved from the Thai Board of Trade to the Ministry of Commerce's Office of Commodity Standards, which does not release official fragrant rice export data. FAS/BKK will report only official export numbers from the Board of Trade for non-fragrant and from the Office of Commodity Standards for fragrant rice when available, but the reader should bear in mind the difference between the data.

Unofficial exports (excluding fragrant rice) for Jul. 30 – Aug. 5, 2007 totaled 84,102 tons, down 8,983 tons from the previous week's total, and down 12,396 tons from the four-week moving average of 96,498 tons. Export during Jan. 1 – Aug. 3, 2007 totaled 3,079,165 tons, as compared with 2,858,717 tons in the previous year.

According to the Department of Foreign Trade, Ministry of Commerce, total rice exports (including fragrant rice) during Jan. 1 – Jul. 31, 2007, amounted to 4,689,778 tons, up 9.8 percent from 4,269,485 tons in the previous year.

Weekly Rice Sales

Private registered rice export sales for the period of Jul. 16-20, Jul. 23-27 (Updated), and Jul. 30 – Aug. 3, 2007 are as follows:

Movement (MT)	Jul. 16-20	Jul. 23-27	Jul. 30 – Aug. 3
Weekly sales	106,198	75,442	53,418
4 week sum	387,340	382,325	363,943
4 week mov. avg.	96,835	95,581	90,986
Total weekly sales	3,181,761	3,257,203	3,310,621

End of Report.